

# THE LOGISTICS POINT

YEAR 3 | ISSUE 08 | OCTOBER 2022

EXCLUSIVE  
VIDEO CONTENT  
INSIDE



The background features a hand holding a glowing globe. The globe is surrounded by various icons: a lightbulb, a cloud with CO2 and arrows, a factory, a person, and a network of nodes. The text 'THE NEW FOCUS OF SUPPLY CHAINS' and 'ESG' is prominently displayed over the globe.

## THE NEW FOCUS OF SUPPLY CHAINS ESG

Human-centric supply chains are making it more important than ever to have a clear vision.

### CHARGING INFRASTRUCTURE

Create the best charging infrastructure for your EVs

### ENERGY CRISIS OPPORTUNITY

What to do when planning for better energy usage

### POST-PURCHASE EXPERIENCE

The journey doesn't end with the order

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# EDITOR'S NOTE

## **People Centric**

Supply chains have adapted well to what has happened during the last few years. With this there has been a change in the way leaders approach their work.

More and more of them realise the need to focus on the people. This includes not just consumers but also employees. In this edition we look deep into the Human-Centric Supply Chain.

The news come from Gartner's Supply Chain Symposium | Xpo in London where experts gathered to learn more about the transformation happening all around their organisations and within.

## **Energy Opportunities**

We also take a look into how the current energy crisis can be used as an opportunity. There are many things that can be done but it all starts with better planning.

Sustainability is turning into a core value for organisations. But how can it really be achieved and why does it matter?

## **AI & Competition**

Technology is another key area we take a look into. How can different solutions help you reach all your goals and learn more about your markets and competitors?



## **Last Mile & E-Com Online Event**

We are also excited about our Last Mile & E-Com Online Event on the 22nd November.

Join over 250 other retailer and supply chain professionals for this online event and learn from great experts how to deal with the challenges along the last mile.

[Register for the event on the 22nd November!](#)

Nick Bozhilov  
Editor in Chief  
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# **THE EMERGENCE OF THE HUMAN- CENTRIC SUPPLY CHAIN**

*FROM GARTNER SUPPLY CHAIN SYMPOSIUM 2022*

Up until recently supply chains were mostly focused on how to execute their operations best. There was little focus on what the impact of these operations is on society and the environment. But times have changed so much that now all organisations are shifting their focus to people and the planet. During the annual Gartner Supply Chain Symposium | Xpo in London supply chain managers discussed the new human-centric approach and the way to reach true sustainability.

Sustainability and people were the two big topics during the Gartner event in London for three days. In one way or another all organisations are putting their focus on the planet and how their operations affect the society as a whole.

## **Stakeholders**

A new definition of stakeholders is emerging which embraces the idea that the supply chain is the leading area for companies. 'We like to think we can offer more value than just the medicine we provide and the wider impact on society,' said Matt Shaughnessy, Head of Operations Sustainability, AstraZeneca.

People are keeping score on what you actually achieve compared to what you said you would achieve. The workforce is more demanding and has specific expectations for specific areas. If you want to retain and attract talent you need to be accommodating.

As part of a highly polluting sector the company is working hard on lowering its impact. So far AstraZeneca have reduced emission by about 60% since 2015. However, Shaughnessy said the last stretch to reaching their goal of 98% will be the hardest. It will involve a deep look into the way energy is being used and going beyond just decarbonisation. According to him the whole operational model would need to be transformed.

### **Reinventing leadership**

Supply chain leaders are having to reinvent what it means to work in the industry and the essence of the sector. There is not just more focus on sustainability but actual measurable data and KPIs that can be proved.

People are keeping score on what you actually achieve compared to what you said you would achieve. The workforce is more demanding and has specific expectations for specific areas. If you want to retain and attract talent you need to be accommodating.



This, of course, is not an easy task and many leaders acknowledged it during the event. Supply chain officers are dealing with the expansion of their internal and external ecosystem. More organisations are identifying how they want their supply chains to be perceived. They realise they have to have a supply chain and it should perform very well.

### **Agility and more of it**

'Agility is the new normal,' said Gerhard Seidl, Head of Supply Chain Planning at Coca-Cola HBC. 'Think carefully what you want to do and discuss it with your potential partners. Understand what they can do and how it fits in what you want to achieve.'

A new centre of gravity has formed where consumers and employees are what drives change. Diversity and equality are being added to the sustainability agenda and what supply chain managers are being asked to do is broadening constantly.



Seidl summarised what lessons have been learnt in the following way:

- Plan very well how you define what you want to achieve versus project's time and costs;

- People expect customisation and you need to discuss how many changes are actually necessary;
- Total cost of ownership : you need to be very aware what you can do with your own people and resource management;
- Decide what partners you need and what their role will be in the project;
- Technical integration will be more complex than you expect;
- Change management: putting the user in the driving seat and engaging with senior management;
- Finding the right people is always underestimated; \*



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## **SUSTAINABILITY AS A CORE VALUE FUNCTION**

FROM GARTNER SUPPLY CHAIN SYMPOSIUM 2022

Consumers are becoming more careful when they shop and want to get the real answers. Green washing is something most of them are aware of now and are careful when choosing a brand. During the Gartner Supply Chain Symposium in London large organisations like IKEA shared what they have been doing to improve their operations.

More news from the Symposium coming soon.

'Inequality is going in the wrong direction, despite the efforts and positive steps taken in the past,' began Claudio Marconi, Head of Supply Chain Development Inter IKEA Group. The well-known company is actively exploring ways to deliver more value not just to its consumers but also to the wider society as a whole.

'We do not need to wait for others to take the initiative. The bigger the enterprise the more leverage they have together with their customers. This is a positive opportunity for all of us,' Marconi went on saying during his session.

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## **Taking a step back**

Due to Covid many organisations like IKEA were forced to carefully examine their processes and take a good look at the mirror. The Procter & Gamble Company was one of them and in his session Franck Lemerrier, VP Global Logistics at P&G explained what this process meant for the company.

'We paused and took the time to step and find out how we fit in the new reality,' Lemerrier explained. The organisation created its Control Tower concept that could bring more visibility but with very clear responsibilities.

Who does what turns to be a key factor for success and a topic raised by many at the Gartner event.

We do not need to wait for others to take the initiative. The bigger the enterprise the more leverage they have together with their customers. This is a positive opportunity for all of us.

Accountability is so important if companies want to satisfy the demand for ESG. 'We can't lose the focus on sustainability. It will be the core value for consumers and investors going forward,' commented Julius Getz Mork, Head of Replenishment Planning, at the consumer electronics retailer Elkjop.

His words were echoed by IBM's David Hogg Supply Chain Sales Leader for Europe. 'Generations are now demanding green credentials for products. 62% will change their shopping habits to reduce environmental impact. Offering different delivery options takes more work but pays back,' Hogg said. He went on to cover the importance of compliance and how there is an increase in national and local legislation around reporting.

## **Reaching the goal**

For IKEA a way to reach their goal is by a more democratic design. They are trying to embed circularity in everything they do, as well removing materials that are damaging for the environment. For P&G more visibility and answering key questions around the partners is the answer. For Elkjop creating an environment where employees feel respected and supported adds to the mix for success.

Overall, there doesn't seem to be a single way to reach sustainability. It depends on the organisation and the culture. \*



# **VIDEO**

## **BUILDING EVS' INFRASTRUCTURE FOR TOMORROW**

**SPONSORED CONTENT**

Electric Vehicles are taking over the logistics industry but there is a lot more to know about them before companies take the first steps. We spoke to Alan McCleave, Country Director of UK & Ireland at Wallbox Chargers, who shared some tips on how to successfully implement a charging infrastructure for an EV Fleet. You can watch the full video interview with Alan below or read the article.

**Alan, give us a bit of history behind Wallbox? What do you guys do and for how long have you been doing it?**

Wallbox creates smart charging and energy management solutions that combine innovative technology with outstanding design, facilitating the adoption of electric vehicles today to make more sustainable use of energy tomorrow.

We design, manufacture and offer customers not only an EV charging solution, but also the energy management software that turns their EV charger into a smart device. Due to our vertically integrated supply model we have been able to adapt and mitigate increasing supply chain issues and continue delivering to customers without interruptions.

Wallbox has four factories globally, two in Barcelona Spain, one in China that manufactures for the Chinese market and another in Arlington, Texas that is expected to start production by early Fall 2022. The fourth factory will allow us to manufacture over 250,000 units in 2022, and over 500,000 in 2025.

Innovation and, therefore, investment in R&D&I is one of the company's priorities. In 2021, Wallbox invested 12 million euros in this concept. We have a suite of charging and energy management solutions for home, business and public charging, both AC and DC. We are a global player, having been in the market for 7 years and present in more than 100 countries.

**The Wallbox portfolio of chargers is pretty wide, you have both AC and DC fast chargers, what are your recommendations for Fleets?**

AC charging is on average the most suitable solution for fleets as it covers the charging needs.



ALAN MCCLEAVE, COUNTRY DIRECTOR  
OF UK & IRELAND AT WALLBOX  
CHARGERS

**Then what should a company be looking for when it comes to AC chargers?**

A great example to answer this question is a recent case study we had with a global fleet delivery company who planned to become the first fully electric fleet to provide last-mile delivery services for eCommerce in big cities.

We design, manufacture and offer customers not only an EV charging solution, but also the energy management software that turns their EV charger into a smart device. Due to our vertically integrated supply model we have been able to adapt and mitigate increasing supply chain issues and continue delivering to customers without interruptions.

In order to achieve their goal, they needed a charger that could stand up to such a high level of outdoor use. With multiple delivery drivers needing to charge their vehicles each day to continue the company's 98% punctual delivery rating, finding an option that crossed quality with ease of use and efficiency was key for their electrical vehicle fleet management.

Here is where Wallbox stepped in. Not only do we lead the market with highly advanced chargers, but we're one of the very few companies who offer a 360 solution, from software management to installation and after-sales support

with maintenance and CPO (Charging Point Operator) services. Copper SB, our socket charger, was one of the chargers used for this project.

**What was the final outcome of this project?**

Thanks to this project, the company managed a CO2 reduction of 62,6 tonnes per year for their electric vehicle fleet consisting of 12 cars that travel 438.000 Kms per year.

In addition, this CO2 emissions saved supposes an energy cost saving equal to 5 average homes per year. Last but not least, the fixed amount costs savings of €23,000 per year, just in gas usage.

**Unlocking**  
the **power**  
of EV  
**charging.**



**Electric vehicle charging and energy management for every need.**



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Manufacturers don't always talk about this but in most cases, at least  $\frac{2}{3}$  of the costs of an EV charging project are attributed to the installation.

**What about tracking? Things like charging consumption, knowing for sure the vehicles are charging or if each driver has an assigned vehicle giving them permission to charge it?**

All our chargers are compatible with OCPP 1.6j, which enables their integration in any charging backend capable of providing everything you just said.

Tracking charging consumption so that you can compare "fueling costs" down to vehicle level. Create and assign user permission for the chargers. Chargers real time status and remote diagnosis. And by the way, we just recently made a massive update to the OCPP 1.6j definition of our chargers with tons of enhancements.

**You've told us about the chargers and software, yet you've hinted something about installation before, what's the deal with that?**

Manufacturers don't always talk about this but in most cases, at least  $\frac{2}{3}$  of the costs of an EV charging project are attributed to the installation. (cabling, engineering, man hours, legal tramitation, etc.)/ (last third chargers & accessories)

**How can Wallbox support EV charging installations?**

Wallbox can support any sort of installation. We have another good case study to explain that. In 2017, a water company started changing its urban technical fleet to electric vehicles as an alternative to fuel fleet vehicles.

The company had invested in 132 zero-emission cars, the largest EV fleet to circulate the metropolitan area.

The challenge was how we can provide a network of charging points for the new fleet? They needed a big implementation of EV Charging stations (156 units) in different locations. The 132 cars required enough energy to serve over 3 million customers across the 636 km<sup>2</sup> that make up the metropolitan area.

Wallbox offered Aigües de Barcelona a full-service package, including the design of the charging infrastructure, installation, and set up of the chargers by qualified engineers, as well as service and maintenance from partner technicians, if desired.



Wallbox installed 156 business charging stations to 6 of their locations, all integrated with the application "myWallbox"



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**And what was the outcome?**

Our solution prevented the emission of more than 105 tonnes of CO2. We also offer efficient, reliable and safe charging points that can be easily used by every employee.

**How can Wallbox make the transition easier for logistics companies?**

Wallbox is currently working with a large global logistics business that covers the whole of the UK and is transitioning its traditional ICE delivery vehicles for BEV delivery vehicles. They operate numerous regional depots across the whole of the UK.

Wallbox has installed our tethered unit chargers at 12 of their depots that will be the first to receive their new EV delivery vehicles. We have also installed energy management solutions, to solve the challenging low power output of traditional depots that did not need big energy output.

**And what was the outcome?**

Our solution means the drivers can pull up at the end of a long shift, grab the tethered cable and plug the vehicle in to charge and continue with their work, making it really easy for the driver to charge their vehicle, no hunting for cables or messing around scanning a card to start the charging process,



just plug in and the charging will begin when the depot wishes to schedule it to start.

The power management solutions mean that at busier times of the day for the depot, the chargers may be reduced in charge speed, only to speed up when the depot uses less energy e.g. overnight where most of their charging takes place. This means the depot does not exceed its energy capacity, but the vehicles all have enough charge in them when they start their journeys early the following morning, with very little power upgrades needed, which can be very expensive and can take months to implement.



You can watch the full video with Alan McCleave from Wallbox UK & Ireland below. \*



# HOW TO MANAGE THE ENERGY CRISIS IN THE SUPPLY CHAIN

FROM GARTNER'S SUPPLY CHAIN SYMPOSIUM 2022

The topic of transforming models is a key element in many conversations and energy is being added to that. Sarah Watt, Analyst at Gartner, took a look at the way energy is impacting operations and how the industry can make a better use of it, during the annual Gartner Supply Chain Symposium | Xpo in London.

'Energy costs in Europe are volatile and uncertain and we can't rely on history to predict the future. This is a unique situation but we know that business and society are experiencing significant impacts today. This is driving inflation and 45% of executives say energy is impacting business continuity.'

## So what can be done?

The starting position for energy should be who the fight is with. We have very little to no input over what is happening at the energy market. Winning means being responsive in a way that is better than the competition and developing a long term energy strategy. This needs to include multiple dimensions: energy offset strategy and a portfolio of response actions.

## Energy costs

Businesses are seeing a large increase in cost and nothing can offset them but there are strategies. Managers need to think about how to manage energy supply. Energy brokers can help think about the purchasing strategy and the supplier relationship. 'We are seeing more democratised supply. It will all take a degree of investment and you will never be fully self sufficient but think about your different sites,' Watt urged the audience.

Energy has been a historically cheap resource but we need to treat it as the precious resource it is. All manufacturing facilities are suffering from waste of energy and waste of money. The old way of thinking was that there will always be some kind of waste and it has no value to the business. But the new mindset is what would happen if the waste can be turned into useful energy.

## Energy consumption

Businesses are focusing more and more on how they consume energy. Intel & Del, for example, address the issue at the point of design. There is thinking around modularity and supply chain professionals are expecting an increase in profits after implementing circular economy principles.

## Energy security

Energy challenges will continue for the next couple of years. Thinking about physical security risks is not enough. 'Have we made sure we are prepared with a backup supply in case we need it?' Watt asked.



VP ANALYST GARTNER

Cybersecurity risk dimensions are emerging to this as well. Number of businesses are having cybersecurity attacks. 59% of leaders do not plan to connect physical and cybersecurity parts of the business but this could be a mistake.

'Look for opportunities to integrate what each part of the business is doing to sort out the risks. The main failure point was physical security but cybersecurity is being added now,' Watt continued.

## Decarbonisation and energy

Sustainability programs can help with the challenges around energy. 80% of respondents in a Gartner survey on the topic say that sustainability helps them to optimise costs. But why?

It acts as an accelerator and has clear benefits for keeping these programs. 83% say sustainability helps them to create direct short and long term value to help them recover from disruptions.

87% of business leaders plan to increase investment in sustainability in the next 2 years. The topic is way more important to stakeholders so companies cannot give up on it. There needs to be a plan for success when it comes to decarbonisation.

'You need to understand what growth means for decarbonisation plans. Some emissions have not been factored in when looking at growth,' Watt said.



'Analyse your supply based greenhouse emissions. Set your baseline. Build competency: many people have never done anything like this before. Do not wait to have all the information before making a decision,' she finished, urging the audience to take actions now. \*

**Sustainability acts as an accelerator and has clear benefits for keeping these programs. 83% say sustainability helps them to create direct short and long term value to help them recover from disruptions.**



## **VIDEO**

# **GET THE POST-PURCHASE RIGHT WITH BETTER SERVICE**

Retail and commerce is no longer just about selling. As consumers require retailers and logistics operators to go the extra mile, the post-purchase experience is becoming essential for the success of businesses and is the differentiating factor that makes companies stand out. We spoke to Andrew Chan, Co-founder & CMO of AfterShip, a leading post-purchase and shipment tracking platform that helps prominent retailers and eCommerce businesses deal with the complexities of post-purchase.

### **Andrew, what are the biggest challenges that retailers face when we look at post-purchase?**

For retailers, this is continuous customer support after the order has been placed. In the past, retailers would simply direct the consumer to the carrier's website and let them deal with any problems. This is no longer possible.

### **Do you think retailers have understood that and work on it well?**

For every business it is essential to understand the importance of retention for the brand's success. It is very important because 80% of the revenue usually comes from 20% of the customers. I think retailers understand this but the question, then, is what is the technology adoption?

Many large brands such as IKEA, Levi's, Amazon and eBay are leading the way but other brands need to follow suit a bit faster.

**What does the future look like for the post-purchase experience and overall consumers' satisfaction?**

Companies need to have a post-purchase role and then start measuring the post-purchase effect. It drives actual revenue from the consumer to the merchant.

Retailers will also continue to increase the various touch points they're monitoring . The new trend will be not only saying that you've improved customer experience, but to actually measure how much it's improved by. This will help determine ROI since there is a revenue associated with every touch point.



ANDREW CHAN, CO-FOUNDER & CMO OF  
AFTERSHIP

You can learn more about the challenges of post-purchase and the benefits of logistics for eCommerce businesses in this video with Andrew Chan from AfterShip. \*

# Research Report: Sustainability is Not a Challenge, It's An Opportunity



## **VIDEO** **HOW CONSUMERS CHANGE THE DELIVERY GAME**

SPONSORED CONTENT

Consumers have changed and what was accepted just a few years ago is now a taboo. Are retailers and carriers ready for this change? What do consumers really want? We spoke to Chris Jones, EVP Industry & Services at Descartes Systems Group, about a survey the company conducted amongst 8000 consumers across The US, Canada, Europe and UK. The findings show how attitudes have changed and where retailers might be failing. You can watch the full video interview now.

**Chris, Descartes' recent report is an interesting read for everyone interested in the future of retail and how carriers can support it. Can you give us a summary of the findings?**

**Chris Jones:** What we really wanted to know is how consumers felt about sustainability and in-home delivery. Home delivery has taken off over the last number of years but at the same time, there's a lot of fear and anxiety around what it does to the environment.

We wanted to find out a few things like what sustainability means about purchasing decisions and ultimately, how people felt about Home Delivery. We interviewed 8000 people across the US, Canada, the UK and in eight European countries and what we found was very insightful.

There were some variations but the big piece is that consumers make purchasing decisions around the environment, but also they're very interested in sustainable delivery options. What I think is really great about that is that most of the options that we presented and that did get a significant amount of pickup, like 50%, were ones that are actually lower cost delivery options.

We found that sustainable delivery options could help the environment, make consumers happier and retailers can improve their bottom line.

**Consumers clearly care about the environment but the survey shows there is a difference between what retailers are doing and how it is being perceived by people? Why is this?**

**Chris Jones:** I think the first reason is because retailers are not asking questions about sustainable delivery. What is really interesting is that a lot of retailers do not think of delivery as a value adding process. If we asked retailers about their customers' buying personas, they would all jump right into it. But on the delivery side they treat everything as equal and don't understand that there are delivery personas.

Some people, for instance, will do anything for the lowest cost delivery option. Others would do what would help the environment. There are different classes here. And if you can serve those personas, you will do a better overall job of attracting customers and keeping them.



CHRIS JONES, EVP INDUSTRY & SERVICES AT DESCARTES SYSTEMS GROUP

Our view is that the delivery has been treated as either something that has to be done or there is a monolithic approach. In fact, it's much broader than that.

**It all sounds very logical but if I am a retailer, how do I do all of these?**

**Chris Jones:** Be more proactive and show more options to the consumer. There are a couple of things that can be done and they don't all have to happen at once. One is grouping deliveries. Amazon does this already and calls it Prime Day. People can get all of their orders on a specific day of the week, instead of getting them one by one. By doing this, carriers and retailers can instantly say it is more convenient and also more sustainable because they eliminate multiple deliveries and the carbon impact of them.

There are also delivery agents out there that offer more sustainable delivery services. They do things like carbon buyback programs, for example. The third thing is actually presenting delivery options to consumers and telling them which of their options are the most environmentally friendly. And that can be in a couple of ways. It can be everything from steering consumers to choose a specific day for individual orders or to combine orders and support dynamic grouping. Instead of a fixed day, you can create density by delivering in the same neighbourhood to all residents.

In our study consumers really want to know the impact of deliveries on the environment. In the next couple of years they will start expecting that retailers present the information about the impact. They don't want to just know a specific option is more environmentally friendly but rather by how much and how significant it really is.

**All of these sound like they are coming from the retailer but what is the role of consumers here?**

**Chris Jones:** Over half of the consumers in the study said they were willing to accept a longer lead time from a company they felt was environmentally friendly. As a consumer we can decide that we do not want our order today or tomorrow.

I also think that people should start asking retailers about their environmental options and if they do not have any, ask them why that is? A key part is educating both consumers and retailers. Most retailers still think this is a challenge for their business. But in fact, it really could be quite the opposite. It could be something that attracts consumers and lowers their costs, and ultimately helps the environment.

Get the report from Descartes Systems Group:  
**Retailers: Sustainability is Not a Challenge, It's an Opportunity.**

Figure 1: Percentage of online orders delivered to the home\*



**Is there one answer that fits all categories of goods or should we approach them all in a different way?**

**Chris Jones:** It definitely varies. There's a lot more concern about the environmental impact of grocery home delivery, for example. In this category you want to be very heavily focused on how your delivery options help the environment. If you have a lot of consumers, who are buying organic products they certainly care about the planet. They will probably be much more inclined to ask about your sustainable delivery options.

Apparel, however, runs mostly on parcel networks. So, are you working on having more sustainable parcel delivery options? I think companies really need to look at their consumers and their delivery personas and see what delivery options they have now. Also look at how they want to model the options and present them to the consumer.

An interesting result from the survey for brick-and-mortar stores is that many consumers would still go and collect their orders from a store. This means they could have an advantage over online merchants and should speak more about the sustainability benefits of those options.

Also there is a substantial number of people who are willing to buy more from companies that are more environmentally friendly and known to be sustainable. So if you are a retailer, this is definitely worth the investment.

**So what will consumers look for in the future from their retailers?**

**Chris Jones:** I already mentioned the rise of EVs, as well as the wish to have a better understanding of the real impact delivery has on the environment. This is going to be more challenging for retailers as a lot of them use third parties. So they need to understand what their carriers are doing and what they offer. It is not just about the costs but also about the carbon footprint. And they're going to need to be able to present that impact to the consumer at checkout.



In the future people would want more options and more transparency around the environmental impact. They also expect that retailers will take an end-to-end approach towards the environment. It is not going to be just about packaging or product, for example, but also delivery, returns, recycling and so forth.



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**In order for all of these to happen, we would need to start working now. Do you think retailers have enough capacity, knowledge and investment power?**

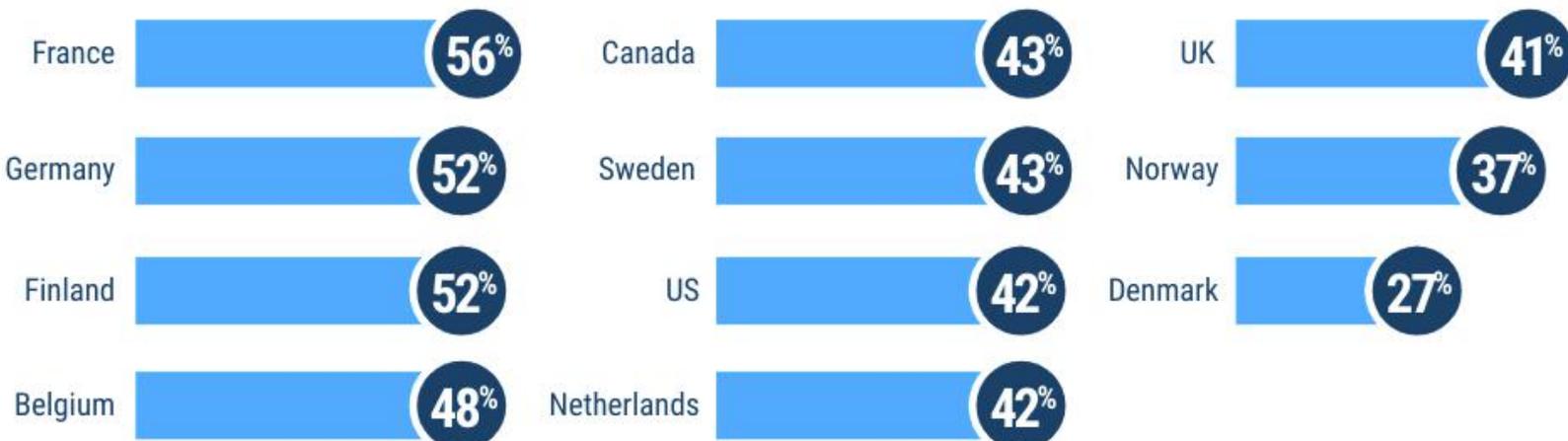
They absolutely need to start today. As I said earlier, you can do this in steps. The most sophisticated retailers that exist are already dynamically presenting sustainable delivery options and understand how it impacts consumer buying and the bottom line. However, they started years ago and the message for the others is to start now.

Companies can start with something more straightforward like order grouping. That is something that is not really rocket science. And then from there, you can just successively add environmentally friendly options.

A substantial number of people are willing to buy more from companies that are more environmentally friendly and known to be sustainable.

I also think people need to take a step back and realise this is not a challenge but an opportunity. It is a way to make the consumer happy, help the environment and put more money to the bottom line. And once people grasp that situation when it comes to capacity, they will make it available.

Figure 2: Respondents by country that thought helping the environment is quite/very important





**Finally, where does Descartes Systems Group fit in this process?**

First is education and is one of the reasons we did the survey. We also have a lot of resources around Best Home Delivery Practices and ebooks. When we speak with our customers and retailers we also try to advance a more holistic delivery strategy.

Second, we provide enabling technology. Our solutions help retailers and carriers develop and present eco-friendly delivery options to better serve the consumer and reduce delivery costs.

**You can learn more about [Descartes Systems Group](#) report [here](#). You can also watch the full video interview with Chris Jones now. \***



## **NETWORK OBSERVABILITY: DETERMINING THE CAUSES BEHIND ALL THE NOISE**

Digital infrastructure has become more complex and the way they operate has changed significantly. Supply chain managers are not looking into a mountain of data that needs to be not only collected but also analysed and acted upon. It is not surprising that organisations that monitor supply chains are such a key part of the whole industry. We spoke to Michael Tarbet from LogicMonitor about observability, the role of IoT and more.

'Observability is a word that is becoming used more in the industry,' starts Tarbet. 'Large organisations have multiple different sites with each one having its own networks, employees, etc.' As companies scale up the depth of their IT infrastructure also scales up. Unified observability is the way organisations can harvest all of the data and points of interest, and understand it better. Every equipment is providing data but there is a lot of noise that needs to be filtered out.

'If you can bring all of these into a single area, you can go from reactive to proactive and then to predictive,' Tarbet comments. Being able to observe trends means organisations can now act before problems happen.

For example, monitoring the average performance of all equipment at a factory can indicate when a specific machine is about to break down. If a machine starts showing signs of going below the average productivity, then organisations can act quickly and check for any problems.

### **Observability Teams**

'In the last several years, we have seen the creation of the role of Digital Officer,' Tarbet explains, talking about how organisations are responding to the changing importance of data and IT. 'Sometimes that is someone who is looking outwards toward the consumer and looking at the marketing. Often that person is tightly linked to the IT department and the way the organisation deploys digital solutions and what it makes out of them.'

Large organisations are starting to assemble Observability Teams who are trying to understand how to get visibility across the whole network. Digital solutions are a key part of this. There are many problems that need to be addressed when different parts of the company are in different geographical locations. 'There are ways to deal with that but we also consider each organisation separately,' Tarbet says. 'Often we need to focus on the most important thing and find it through the noise.'



MICHAEL TARBET FROM LOGICMONITOR

Sometimes even if you determine the signal that is coming from all the noise, this might not be the real problem. 'We can just point at an area and say it is bad without finding out why and if there is something else causing it.' Automation can help organisations find out what the real problem is rather than focusing on the symptom. \*

**Unified observability is the way organisations can harvest all of the data and points of interest, and understand it better. Every equipment is providing data but there is a lot of noise that needs to be filtered out.**



# COMPETITOR ANALYSIS

## **VIDEO** **KNOW YOUR COMPETITORS WITH AI**

They say you should keep your enemies even closer than your friends. But what about your competitors? When entering a new market, knowing your competitors and what consumers want is essential. Relying on data that takes months to collect is not the smartest way. We spoke to Andrea Gilberti, President & CEO at Matchplat, about how Artificial Intelligence is helping organisations understand their markets and the importance of KPIs.

**Andrea, what are things that companies should and shouldn't do when entering a new market?**

First of all, having clear objectives and responsibilities is a must. Another is to have some information as a navigator and this is our job. A thing I would say they shouldn't do is to follow a plan without ever changing it. This is typical for startups when even though the perception is they are on the wrong track they do not change because of the business plan.

**Having clear KPIs is one of the best approaches we can follow.**

But how to know you have chosen the correct KPIs for the market?

The first one is to identify your potential partners and business opportunities. The second is to find the potential competitors and how you can be different from them, what your value proposition is.

There are several ways to do these. A typical one is to go to trade shows or to use search engines like Google. But you can also use a more professional approach by using databases from Chambers of Commerce or a rating company.

The problem with them is that they usually have lots of information about financial data but not real quality. A quality data is the one that focuses on what the company actually does and about the industrial sector.

### **How to know that the data you have is valuable and useful?**

Matchplat, for example, buys that data and then compares it with what is on the web. We match the information coming from an official source and we check it with the help of artificial intelligence.

### **Is AI what will drive business development going forward?**

Organisations like ours are not focused on just one industrial sector. Our core business is the technology that can be used for many different topics. We focus on the knowledge we have and develop it day-by-day.

Because of that we can apply it to anything from pharmaceutical to agricultural without a problem.

You can watch the full video interview with Andrea Gilbeti and learn more about how AI is helping business intelligence and market expansion now.\*



## **VIDEO**

# **PEOPLE FIRST TO SUCCEED WITH WEARABLE DEVICES**

Adopting technology just so you can say you have some is not the smartest move. But why should you do and where do you put the focus? We spoke to James Summers, Founder and CEO of Conker, about wearable devices and why people should take the central stage. You can watch the full video interview with James Summers now.

**James, what are the most common challenges when it comes to automation and creating efficient operations?**

The first thing that comes up, certainly when I speak to people, is software compatibility. In particular the integration with barcode scanning. For some people, depending on their software, this can be something that works very easily. But for others it is a big challenge.

Interestingly the big piece that we see and that sometimes is overlooked, is the user adoption piece. If people are making a change in the hardware they are using, it is really critical that the users buy into it. They should find it easy and feel that it improves their workflow.

It is rare but we have seen certain situations where management sees the

larger devices are better for their operations but actually users wanted a smaller device.

**Is the user where we should start when looking into new devices?**

I think it should be worked backwards from the efficiency of the point of you of the people using the technology. There will always be a focus on how efficient the technology is, what storage it has and so on.

We like to put ourselves into a mode of thinking around technology. But it has to work together with the user.

**You mentioned software vs hardware. Which do you think should come first?**

I favour coming from a human perspective.

For some people, depending on their software, this can be something that works very easily. But for others it is a big challenge.

Ultimately it is about looking at the workflow as an overall piece.

You can watch the full video interview with James Summers on wearables and the future of devices now. \*



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The last mile & e-com have changed forever but do we really know how to make them more efficient? Join us this November for an insight look!

### **What's On and Who's In**

We have prepared a great look into the world of Last Mile & E-Com for this year's event. Below are some of the highlights but more is coming...

#### **Warehouse as An E-Com Service**

How warehouses are accommodating e-commerce orders and the role of logistics operators in executing orders, promotions, operating returns, etc.

#### **Q-Grocery**

Understanding the financial sense of Q-grocery and how it can be done efficiently. The future of the sector and whether the boom of quick deliveries is over.

## **Urban Logistics**

Storing and delivering options for cities and urban territories. How different solutions can be deployed to answer the need for NetZero cities.

## **Fireside Chats**

Join us for these 15 minutes chats with two experts each!

### **How Logistics Can Propel Your E-com Strategy**

The benefits of a strong logistics network for e-com and the place of logistics organisations in strengthening the overall brand awareness and customers' satisfaction.

### **Last Mile in the Era of Quick Commerce**

Addressing the challenge of last mile deliveries in a sustainable and efficient way during the growth of Q-commerce and Q-grocery. How to create a network that answers the needs of the urban resident without being subsidised by companies.

### **Urban Warehousing: The New Frontiers**

Where would urban warehouses go and how to pick the best spot for them? The role of automation in urban fulfilment centres as well as regulations and obstacles.

**Register now for your free spot!**

# **OUR SPEAKERS**



### **Jack Sims @ Doddle**

Jack has been with Doddle since 2015, developing Doddle's relationships with parcel carriers, merchants and 3PLs globally and focusing on the challenges they face in an increasingly digital world. He is currently the Business Development Manager.



### **Rayan Bannai @ Squared**

Rayan is the founding consultant at Squared, a disruptive consultancy. With a background of growing businesses and operations, he spent the better part of five years at a major European sustainable logistics provider, driving expansions and infrastructural evolutions. Today, he works with his team at Squared to empower impact and innovative businesses.

# OUR SPEAKERS



## **Tom Davies @ Bloom Developments**

Tom co-founded Bloom after five years of development, asset management, and investment experience FTSE 100 REIT SEGRO. He was also CEO and Co-founder of a data analytics PropTech start-up named GeoHood with Antler VC, and has an MSc in Real Estate from the University of Reading. Tom is obsessed with all things e-commerce, last mile logistics, q-commerce, warehousing and PropTech.



## **Pieter Paul van den Hoven @ StoreShippers**

Pieter (CEO) has a background in tech and finance. He co-founded TAPP and Checkmetrix, a payment application and data analytics platform for the hospitality industry. Before becoming an entrepreneur he financed technology companies at ING Bank. He holds an MBA in business administration from the University of Groningen.



## **Daniel Levan-Harris @ Mango Logistics Group**

Founder and CEO of Mango Logistics Group, which was founded in 2004 in the heart of London, providing end to end logistics solutions including warehousing, fulfilment and last mile delivery services as well as UK next day and international courier services.



## **Jord Brethouwer @ Bol.com**

Jord Brethouwer is working for Bol.com as team lead Delivery Capacity and Innovations responsible for the forecasting and planning of our delivery capacity and the coordination with our logistic service providers. Meanwhile responsible for those innovations to maintain control while the Bol.com logistical network is being expanded.



## **Paul Needler @ iParcelBox**

Needler is the founder and CEO of iParcelBox - an innovative solution for home delivery. Paul is particularly known for bringing together his entrepreneurial approach with a proven track record of delivering results, using innovation and best practice to create tailored solutions for clients which increase speed to market, maximise return on investment and improve sustainability and quality of life.



## **CHANGE MANAGEMENT IN THE HEART OF SUPPLY CHAINS**

Manufacturers are facing an unprecedented challenge to deliver their products to the end user. Two main issues keep managers awake: not having enough people and the persistent supply chain issues. We spoke to Rich Diaz, CEO & President at Catena Solutions, about the challenges of manufacturing organisations, how supply chains are performing and the possible solutions.

'Supply chain issues are really overshadowing everything else,' Rich Diaz begins. At the same time, the disruption has provided an opportunity to reimagine the way supply chains work. Diaz is optimistic that organisations will come out of the crisis more efficient.

'I believe we will do some good and make an impact for generations to come,' Diaz comments, looking specifically at the drive towards ESG and more sustainable supply chains. Supply chains are not only becoming more optimised but they are actually actively making the world around them better.

### **Brand loyalty**

One of the big trends witnessed in recent years is the move from Just-in-Time to Just-in-Case.

One of the ways efficiency and success will be measured is customers' satisfaction. 'We all wait for a long time to get our orders and if they end up coming wrong, then companies will not be able to keep their customers,' Diaz explains. Customers are being put in the centre of the supply chain and efficiency will be looked through the prism of making them satisfied without taking away sustainability.

'We will see many different changes. There will be automation and new operating models. Some really strong partners will come out of this change. Those who went early on the change were very progressive, even before the pandemic. What happened is that they captured market share very quickly.'

Customers are being put in the centre of the supply chain and efficiency will be looked through the prism of making them satisfied without taking away sustainability.



RICH DIAZ, CEO & PRESIDENT AT CATENA SOLUTIONS

### **Catching-up**

There needs to be a hard look in the mirror and admit how good at motivating employees companies are. Diaz thinks that the most successful organisations will be those who can support their employees and motivate them to provide good customer service.

'When you get the right people in place, you need to also look at the right process,' Diaz continues. 'Documenting the processes will allow them to implement technology.' Diaz recommends not to jump straight to technology. 'You will just be more efficient at being inefficient.'



There are brilliant people within this space: young and old. Any good leader will take whatever comes up and make the most out of it.

### **Change management**

'One of the things companies overlooked was the cognitive overload on their staff,' Diaz says. Even if organisations change their operating model and streamline with new technology, the company needs to be ready for the change. 'The end solution needs to be something people want to embrace. Of course, there will always be someone who holds on to the old ways.'

Embedding change competency in the way companies operate would save time and headache. Due to the evolution of technology, organisations need to be ready to evolve as fast and be open to constant change.

### **Generational divide**

'I think everybody wants to do great work,' Diaz says when asked about the generational divide and attitude towards work. 'There is a shortage of talent and we need to focus on mentoring.'

The supply chain crisis we are facing has put the industry in the spotlight. This means that it can use the spotlight being created to its advantage and attract more people. 'There are brilliant people within this space: young and old,' Diaz finishes. 'Any good leader will take whatever comes up and make the most out of it.' \*



## **SUPPLY CHAIN COMMERCE & THE GREEN IMPERATIVE**

**BY ANN SUNG RUCKSTUHL, CMO AND SVP AT MANHATTAN ASSOCIATES**

We are in the midst of a real-time, seismic shift as consumers transform expectations of global supply and demand models. The pandemic exposed the fragility of many supply chain networks. An inability to sense and dynamically adjust to shifting demand signals, consumer preferences, labour requirements, transportation, storage, inventory and trade policy changes caused havoc to economies and brands around the world.

According to McKinsey, "Investments in technology and automation in distribution centres are now at the forefront of most Chief Supply Chain Officers' agendas." Gartner recently upped its supply chain management technology forecast from 8% to 14% in compounded annual growth rate – forecasting a \$28 billion investment by 2025.

Retailers are racing to transform store, digital, fulfilment and service experiences in an effort to win over omnichannel consumers, boost employee productivity and increase profitability, all the while trying to balance increasing environmental requirements.

Digital transformation initiatives have kicked into high gear across supply chains too, allowing brands to reap the benefits of cloud, composable IT architecture, microservices and AI in efforts to better match supply with demand.

To say change is afoot is an understatement, yet at the end of the day, the way revenue is generated has always been the same: keep your store shelves stocked, online orders shipped and consumers happy.

The difference between today's retail landscape and that of the past is that in 2022 there will be exponentially more choice (of products, purchase options, fulfilment options, delivery options, payment options and more). Consumers control the buying journey, making it that much more complicated for the brands serving them to meet expectations.

If the picture wasn't complex enough, many brands are still struggling to mitigate the effects of the aftershocks caused by the global pandemic, which include severe labour shortages in warehouses, at shipping docks and truck depots, and in stores with retail associates.

Finally, there is one unforeseen effect of the pandemic that is perhaps shaking brands to their core more than anything else. There is a strong emphasis from increasing numbers of consumers (driven primarily by the Gen Z demographic) on sustainability and 'green' credentials.



Combined, these trends and challenges are creating the perfect stage for what we at Manhattan like to call supply chain commerce.

Supply chain commerce is an emerging market category. At its core, it is about unification and a new way to solve the age-old problem of supply and demand, and moving goods from point A to point B. Crucially, that means re-engineering physical and digital supply chains to connect them and bring them in step with consumer and societal expectations of greater responsibility – both today and tomorrow.

In terms of demand, the last couple of years have seen vast numbers of consumers becoming omnichannel natives, making purchases from physical stores, online, call centres, through mobile apps, social media platforms and even pop-up stores.

Time is a premium and they expect brands to know their likes (and dislikes), serve them, and fulfil their purchases how, when and where they want them. And, purpose-driven buyers increasingly demand visibility into brands' business practices such as sustainability initiatives – often expecting to see tangible proof of the environmental impact associated with their purchases.

When considering supply, many brands still operate supply chains that pre-date omnichannel capabilities with some still managing ecommerce and physical stores independently of each other. Optimised for individual use cases and not agile enough to meet the continually shifting demands of modern consumers, these legacy systems simply no longer work in a digital-first retail landscape – both in terms of economics and crucially from an environmental perspective too.

The shift in spending power toward Gen Z is a massive development in our time. While generational changes are a regular occurrence, maybe no shift is (or will be) more seismic than the rise of this 'Zoomer' group.

According to a recent article in Vogue, Gen Z consumers are 38 percent more likely to have shopped online in the last three months. They are willing to purchase across channels, have an appetite for higher-quality items and – just as importantly – are eager to stay on trend with cultural developments like sustainability.



This awareness of societal trends is leading to some key generational spending markers as well. Zoomers believe that the generations before them represented overconsumption, capitalism and materialism, meaning they are more likely to associate themselves, and their wallets, with brands that match their core values, such as environmentalism, equality and fair trade.

**Gen Z are willing to purchase across channels, have an appetite for higher-quality items and – just as importantly – are eager to stay on trend with cultural developments like sustainability.**

Supply chains are undoubtedly one of the fundamental pillars that underpin globalisation, capitalism and consumerism. Yet those issues are often cited as primary causes of the current climate emergency we face today. In our minds, supply chain commerce represents more than the direct fulfilment of supply and demand; it creates new opportunities for brands to deliver greener, more-sustainable products, shipping options, and return choices to consumers.

The right technology can empower and enable companies to offer their consumers options that are more informed and greener at every stage of the purchasing process.

It's at work from the moment a person clicks on a buy-now button, to a more-efficient packing process that reduces shipping volumes, to optimised transportation routing that reduces travel miles, trucks on the road and planes in the air. The end results are reduced CO2 emissions, exceptional customer experiences and greater alignment with consumer sentiments – all at the same time.

Unifying all elements of the buying journey, from warehouse and transportation, to commerce, and fulfilment, makes it all possible.



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## The right technology can empower and enable companies to offer their consumers options that are more informed and greener at every stage of the purchasing process.

That is what gives consumers and brands the ability to make last-minute order changes or combine shipments right up until items leave the warehouse, store, dark site or micro fulfilment centre. Supply chain commerce gives the end-consumer tools to make greener, more sustainable purchasing decisions, and brands that do so will – likely – be rewarded with greater loyalty and repeat business.

The integration of national economies into a global economic system has been one of the most significant developments of the last century. We must not lose sight of the fact that the flow of goods around the world is vitally important to the livelihoods and well-being of billions of people around the globe.

At the same time, we also have a duty to recognize that the movement of goods can be inherently hard on the environment and a growing contingent of consumers demand that we do better – at Manhattan we agree.

Supply chain commerce offers capitalism a 'sliding doors' moment to take a different path. It represents a chance for capitalism to find its conscience and become a catalyst for a greener, more sustainable future where consumer expectations and the health of our planet can coexist together. \*



## ***UNCOVERING THE SECRETS OF ETHICAL RETAIL***

Fairness is something that appears on supply chain managers' desks more and more. It is no surprise due to consumers' attitudes towards ESG. Reaching true ethical status is not an easy job, however. Encouraging all supply chain actors to do it is a huge task and needs special attention. We spoke to Aditi Pany, Founder of Qalara, B2B Wholesale E-commerce Platform, about what ethical means for the supply chain and the work she does in India to support local producers with global dreams.

**Aditi, what does it mean to be an Ethical Retailer? The answer never seems to be the same.**

'Ethical' is a difficult word to try and define because it extends to various other aspects. Sustainability, on the other hand, has received more attention and is easier to break down into sections: social, environmental, economic, and people. With sustainability people are more able to put into practice what they hear compared to 'ethical'. 'Ethical' is far more expansive and translates to organisational practices but also data privacy.

From a consumer and buyer point of view, what we see is a real focus on the environment. We see it being translated to various aspects across the value chain and not just the end product.

Coming back to defining 'ethical', it is still at its basic level of compliance and looks at the use of child labour, access to health and safety, fair wages, etc. This comes under the umbrella of different methodologies which are fortunately gaining popularity. However, it is not as much as we see with 'sustainability'.

Another problem we face is that 'sustainability' is predominantly interpreted by the consumer as the environment. That, of course, is not always the case. But at the same time, we have to start from somewhere and I think it is very exciting that there is such a focus. Different categories and businesses are explicitly demanding better treatment of the environment. Hopefully, we will come after that to 'social' and then to 'ethical' too.

**How about ethically sourced products? How can companies and consumers know what they buy is really ethical?**

The reality is that you cannot take anything at face value. Unfortunately, we are not at a place where we can just accept what is being said. Having said that, everywhere around the world there is a lot more awareness and certain key manufacturing clusters, working on it. There is a lot more education as well as vigilance from society as a whole.



ADITI PANY, FOUNDER OF QALARA

As a consumer and retailer one of the only ways currently is to demand certification. Effectively what it does is to show there was an external check that a factory is adhering to fair wages, equality, etc. Of course, it has to be a validated certification. We are seeing increasing adoption amongst suppliers in India, Indonesia and the part of the world we work in.

We have to start from somewhere and I think it is very exciting that there is such a focus. Different categories and businesses are explicitly demanding better treatment of the environment.



But when it comes to certification, it is also crucial to look at the validity of it. You need to check the issuing authority and check what their list was when evaluating a factory.

Another thing that is happening is that facilities are being personally checked. This is something we do and we insist on visiting and inspecting them at the factory. We interact with the workers in the facility and this gives us a whole different perspective.

Of course, retailers can't always do that but they should work with partners who can do that. There are many organisations which are capable of it. In India, for example, accessibility is much better today.

But when it comes to certification, it is also crucial to look at the validity of it. Most of them are valid for just a couple of years. You need to check the issuing authority and check what their list was when evaluating a factory.

So far, in my experience, whenever a supplier is certified, it is very rare that something is wrong. There might be some minor points but there is no malintention.

Of course, most of the audits start with a self-assessment and permit the supplier to take actions when something is not as it should be. Suppliers can submit an action plan and an update. This is a process for them to learn and understand what it really means.

#### **Here comes the part about support from retailers. How can they actively help?**

It is a learning process and this gives everyone an opportunity to reach the level of expectations. We see retailers reviewing carefully those plans and they do understand the complexity.

It is also important to understand that not all aspects would have been fully concluded. Some will be a work-in-progress. Retailers should be open to that, of course, depending on how critical the area is.

Retailers are also becoming more knowledgeable and have decided what is non-negotiable. They now know what is culturally acceptable and what is not. To this point, I also want to add the home based producers. There are certifications available out there for those scenarios.

### **What about the materials being used and the different categories?**

That is a longer process. For some materials it has been long established but for others it is an ongoing process. Same is true for different product categories. It involves a lot of documentation from production to distribution. I have seen some retailers demand for it but not a very huge majority.

Looking specifically at product categories, there are some that are not there. Toys, for example, are one of them. Every time I walk into a toy store I see an overwhelming amount of plastic. There doesn't seem to be as much messaging around sustainability. And if you think about it, they are the most influential product for the future generations.

Pushing sustainability adoption in some categories is a lot harder. It feels there are double standards.

Why does it apply to a category where it is easier versus something harder? Toys are used for a year and then thrown away. Even compared to fast fashion, kids can outgrow toys so quickly.

Retailers and consumers here play an equal role and have an equal responsibility.

### **Where do you fit in the whole value chain as an organisation? What do you want to achieve?**

It is a combination of social and efficiency. I firmly believe in the move towards more sustainable consumption. This is an evolution and it won't happen overnight.

In the part of the world where we work: India, Aisa, even Eastern Europe; a lot of our historical ways of producing lend themselves to sustainable practices. The materials we have been using are local and a lot of the processes are not fossil fuel powered.

Also, Qalara was built because I saw the opportunity to have a platform that creates demand for and supports local producers. We simplify the production of artisan made products that have a huge social impact. People from around the world can buy the products and we are accountable for our value chain. \*

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